



Department of Justice

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**FIRSTGROUP PLC AND LAIDLAW INTERNATIONAL INC. SELL OFF
SCHOOL BUS CONTRACT IN ALASKA TO RESOLVE
ANTITRUST CONCERNS**

WASHINGTON – In order to resolve antitrust concerns, FirstGroup plc will sell off a large school bus contract and associated assets in Alaska in order to proceed with its acquisition of Laidlaw International Inc., the Department of Justice announced today. First Group and Laidlaw contract with school districts throughout the United States to provide school bus services.

As a result of the parties' decision, the Department's Antitrust Division has closed its investigation of the transaction. The investigation was closed under the Antitrust Division's "fix-it-first" policy based on the parties' decision to sell FirstGroup's Anchorage school bus business to Forsythe Transportation. The Anchorage School Board approved transfer of the contract to Forsythe on Sept. 24, 2007.

"Sale of the FirstGroup contract to Forsythe will help ensure continued competition for school bus contracts in Alaska after the merger to the benefit of Alaskan taxpayers," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division.

A fix-it-first remedy is a remedy that the parties implement on their own before the merger is closed and that eliminates any competitive concerns. Such a remedy can remove the basis for filing an antitrust complaint.

The Antitrust Division conducted its investigation working closely with the Alaska State Attorney General's office and several other states, which simultaneously conducted their own investigations.

FirstGroup is the United Kingdom's largest bus operator. Its U.S. school bus division, First Student Inc., is based in Cincinnati. It has revenues of about \$800 million. Laidlaw Inc., headquartered in Naperville, Ill., is the largest school bus service company in the United States. Its school bus division, Laidlaw Education Services, has revenues of more than \$1.5 billion.

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